

**SECRET**

5 July 1951

OGC Has Reviewed

MEMORANDUM FOR: Deputy Director (Administration)  
FROM: General Counsel  
SUBJECT: Status of 1949 Fiscal Year Obligations

1. The attached memorandum from the Comptroller proposes to establish an obligation against 1951 fiscal year funds for the settlement of contractual obligations incurred in the 1949 fiscal year totaling [REDACTED]. We have considered the question carefully in the light of the fact that normally appropriations lapse for expenditure purposes at the end of two years.

2. In the case of these contracts, however, they were placed on unvouchered funds for reason of security required that there be no review outside of the Agency of the procurement involved.

[REDACTED]

We also believe that the proposal of the Comptroller is a proper arrangement for concluding such internal settlement and we therefore concur as to the legality of the proposal.

LAWRENCE R. HOUSTON

OGC:LRH/mls

Distribution:

- Orig - Addressee
- 1 - Comptroller
- 2 - Signer

Encl: Memo to DD/A fr Comptroller,  
dtd 5 July 51 (OGC copy)  
withdrawn

MORI/CDF

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